

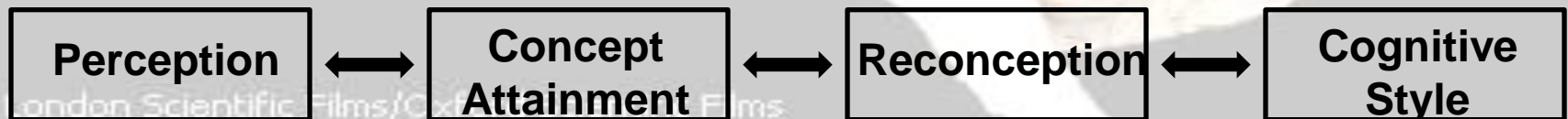
Marketing Strategy & Strategy

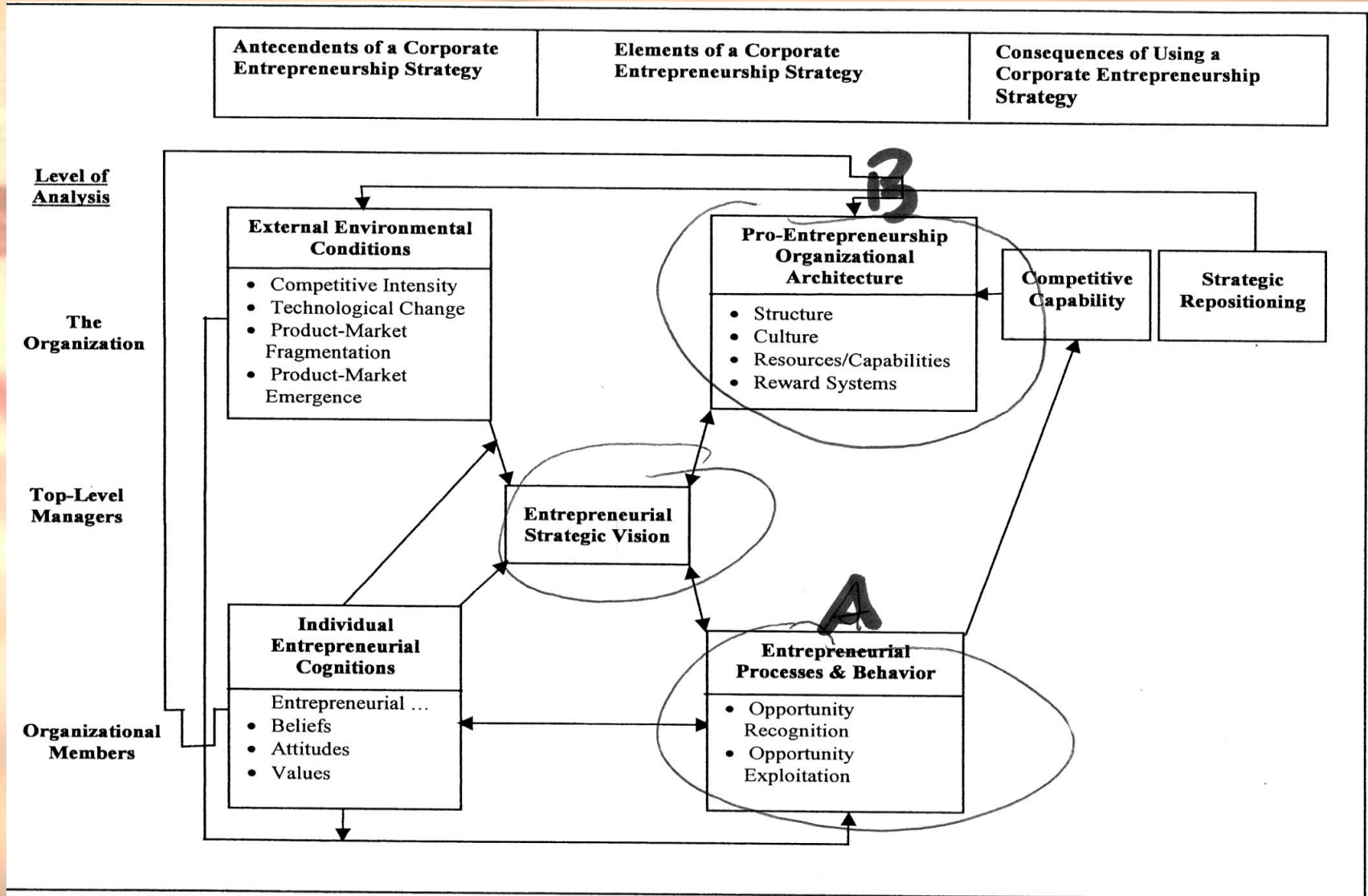
Prof. Dr. Jan Kratzer

Strategy, a word of [military](#) origin, refers to a plan of action designed to achieve a particular [goal](#). In [military usage](#) strategy is distinct from [tactics](#), which are concerned with the conduct of an engagement, while strategy is concerned with how different engagements are linked. How a battle is fought is a matter of tactics: the terms and conditions that it is fought on and whether it should be fought at all is a matter of strategy, which is part of the four levels of warfare: political goals or [grand strategy](#), strategy, [operations](#), and tactics.

Source: Wikipedia

1. Strategy formation is a cognitive process that takes place in the mind of the strategist.
2. Strategies thus emerge as perspectives – in the form of concepts, maps, schemas, and frames – that shape how people deal with inputs from the environment.
3. These inputs (according to the “objective” wing of the school) flow through all sorts of distorting filters before they are decoded by the cognitive maps, or else (according to the “subjective” wing) are merely interpretations of a world that exists only in terms of how it is perceived. The seen world, in other words, can be modeled, it can be framed, and it can be constructed.





Pro-Entrepreneurship Organizational Architecture: Structure



Farming

Industrial society

Market saturation

Globalization

Knowledge - based economy

Creative economy

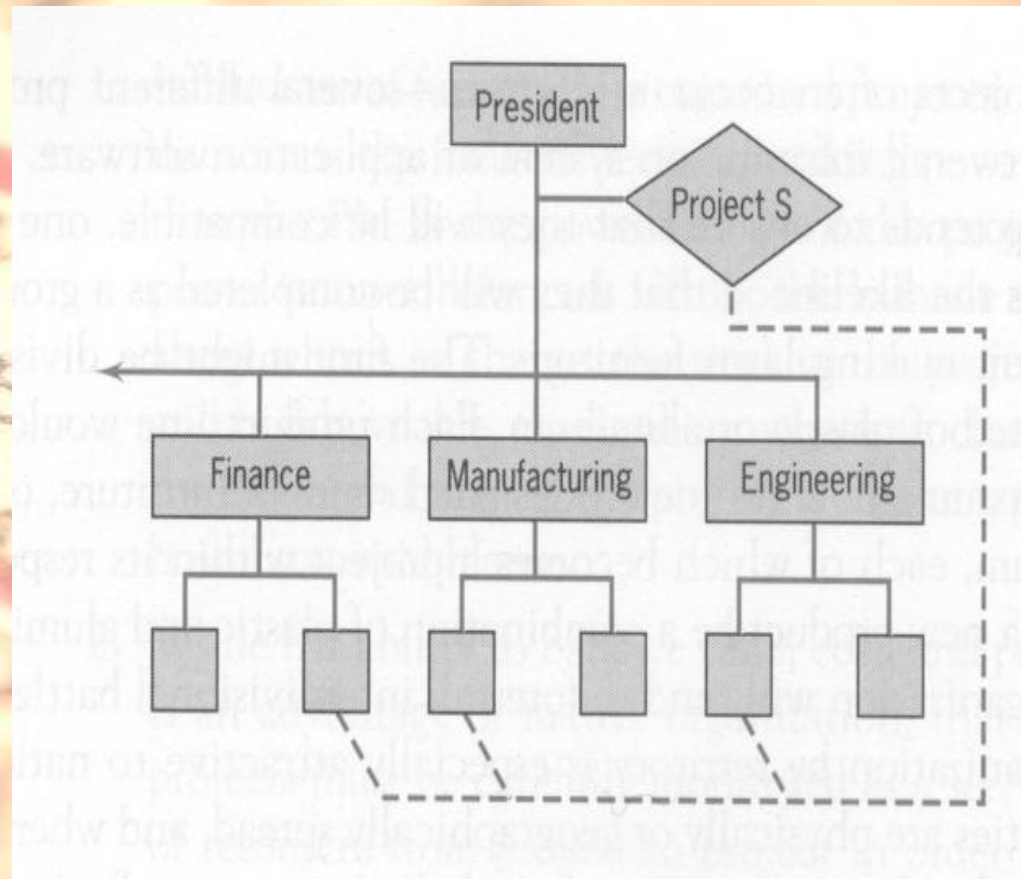


Three general types of structures:

A) Functional

B) Matrix

C) Network



Example: Design Structure Matrix

Figure 3 Design Interface Matrix

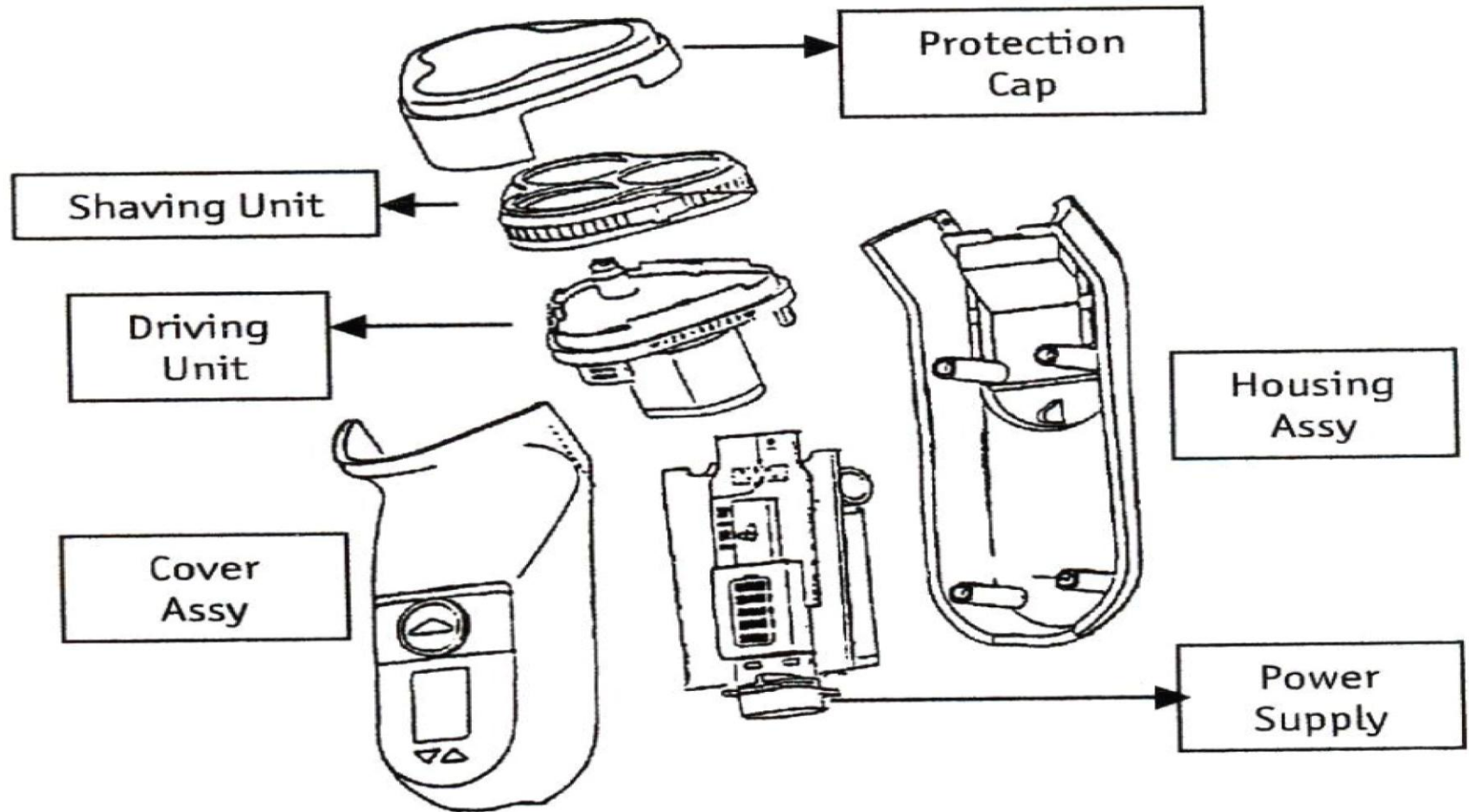
		Modular systems						Integrative systems	
		FAN system	LPC system	HPC system	CC system	HPT sys.	LPT system	Mech. comps.	External and controls
Modular systems	Fan system (7 components)	* S S W S = S S S + S W W S S = W W W W W = W W W + W S W W +	S S S S S W W W W W W					S S W W	W W W S W W W
	LPC system (7 components)	W S W W W S W W S W W W S W W S S	+ S S W S S S + S W S S S S = W W + S S = W S S S W + W S S S W =	S W S W W S W S W W					W W W S W S S W W W W S
	HPC system (7 components)	W W W W W W W W	W W W S W W W S W W W	+ W S S W S S W + S S W S S + S W W S S S + S W W W W W S + S W W W + S S W S +	W W		W	W S W	W W W W W W W W W
	CC system (5 components)			W S W	+ S W S S S + S S S W S + W S + W S +	S W W W W		W W W	W W W W W W W W S W S S W W
	HPT system (5 components)			W W W	+ W W S W S W S W W W + S S S W S + W S S W =	W W W S W W S W W	W W W W	W W W	W W W S W W W W
	LPT system (6 components)	S		W W		W W W S	+ W S W S W S + S S W S + S W S W W S + S S W S W +	S S W	S S W W W S W
Integrative systems	Mech. Components (7 components)	S W W W	W S W W	W W W	S W S W W S W	W W	W S W	+ W W W S W W + S S S W W = W W W W + S S + W W W W W W W +	W W
	Externals and Controls (10 components)	W W S W W W W W S	W S W W S W S S S W W S W	S S S W W S W S S W	S S S S S W S S W W	S S S W S	S S S S S S	S S S S S + W S S S S W S + W W S S S S S S S S W S	S S S S S S S S + W S S S S S + W W S

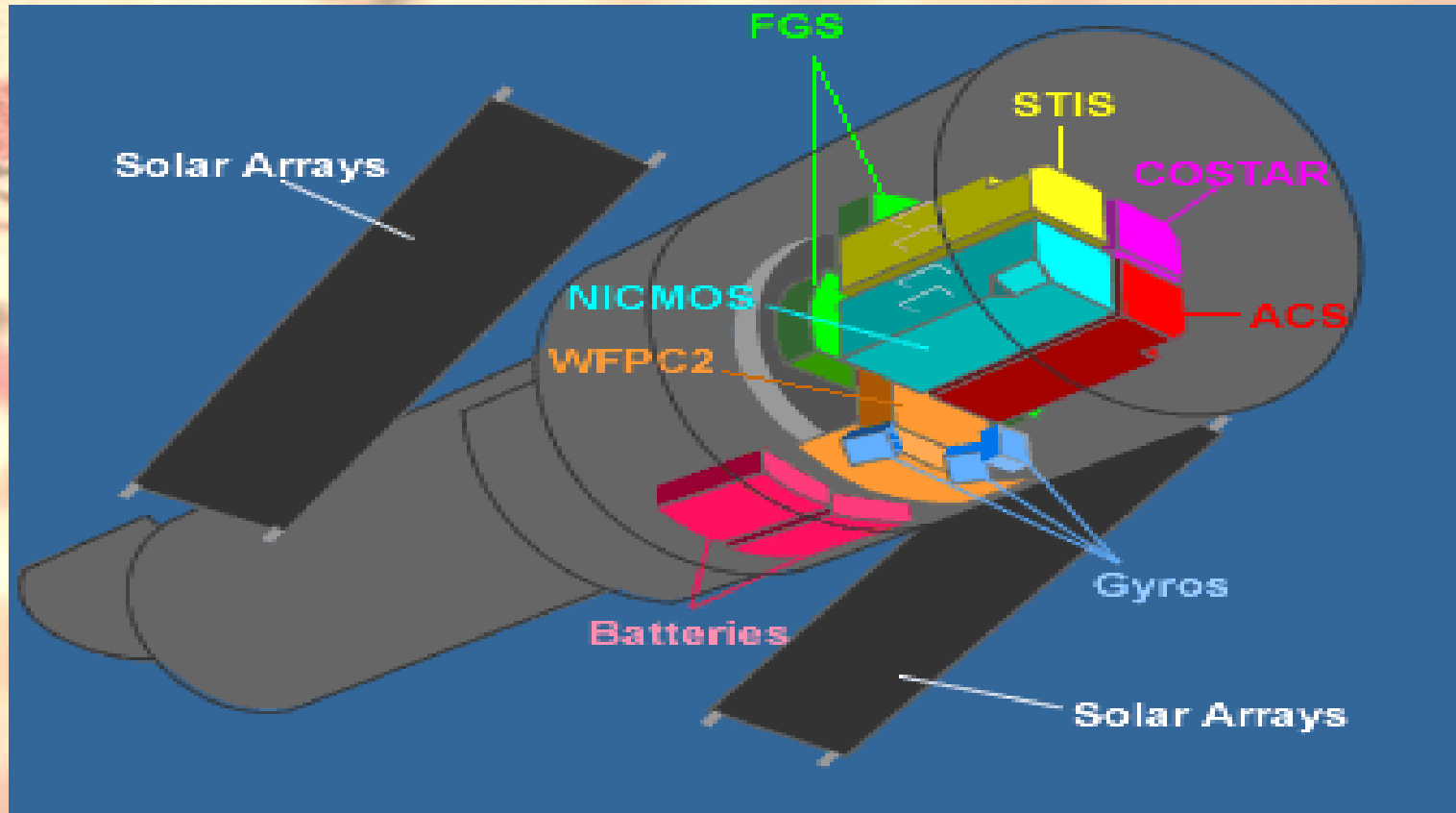
W = WEAK design interface; S = STRONG design interface.

Informal Communication Matrix

Figure 4 Team Interaction Matrix (Binary)

Modular design teams	Fan group (7 teams)								
	LPC group (7 teams)								
	HPC group (7 teams)								
	CC group (5 teams)								
	HPT group (5 teams)								
	LPT group (6 teams)								
Integrative design teams	Mech. comps. group (7 teams)								
	Ext./controls groups (10 teams)								
	System integrators (6 teams)								



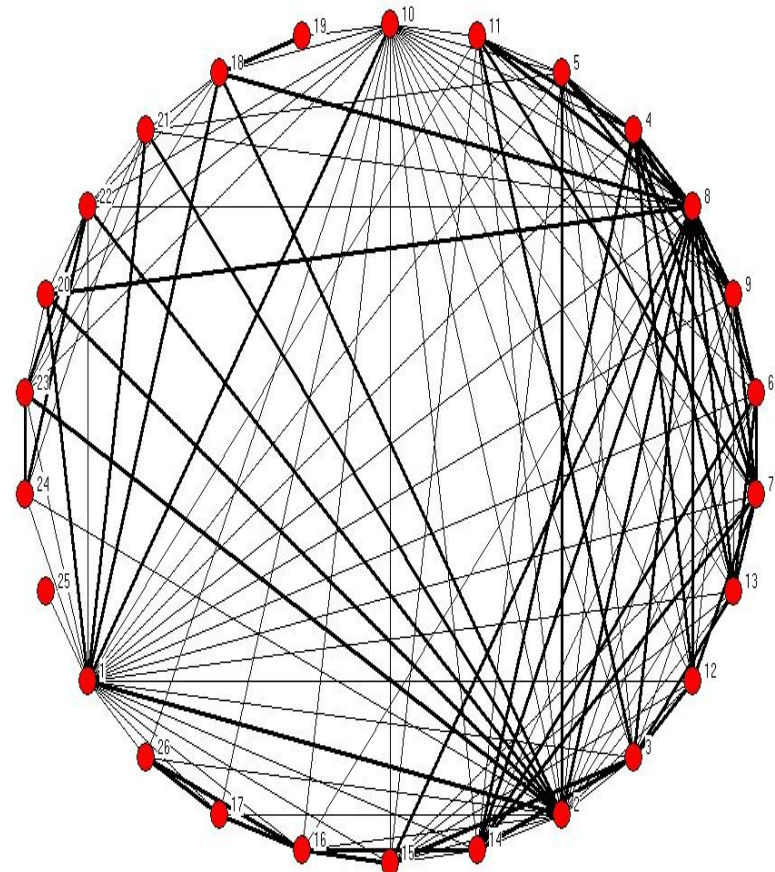
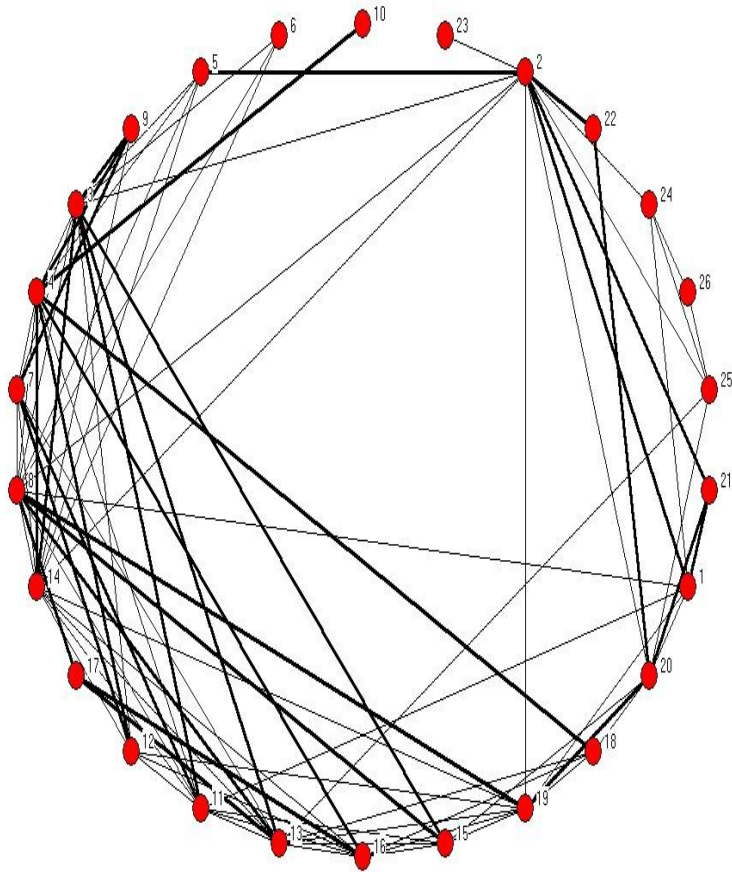


Design phase



Integration phase

Design Structure Matrix

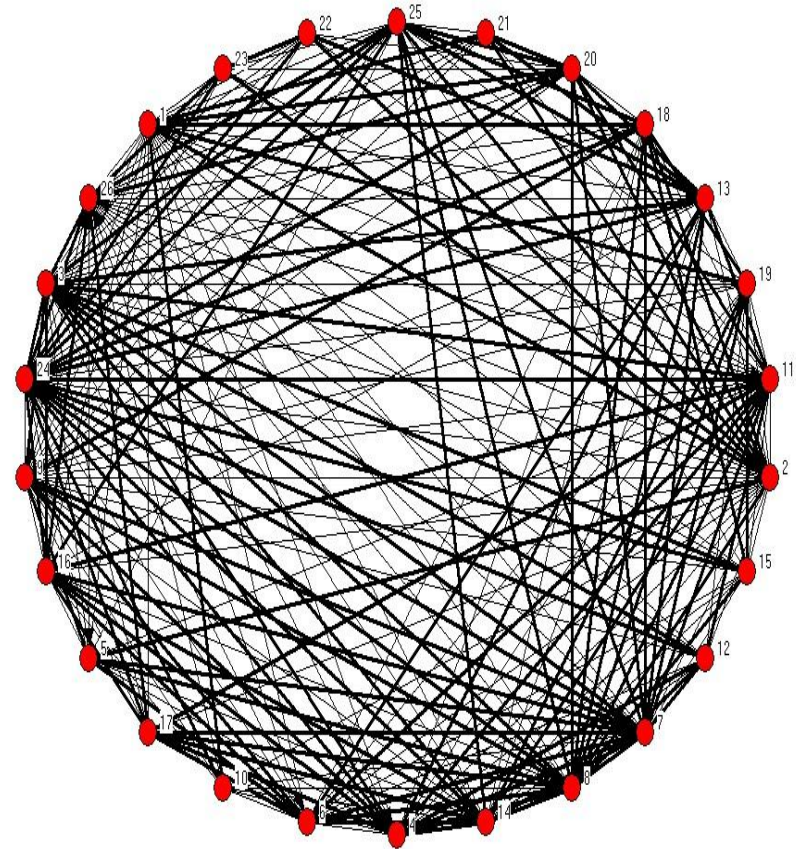
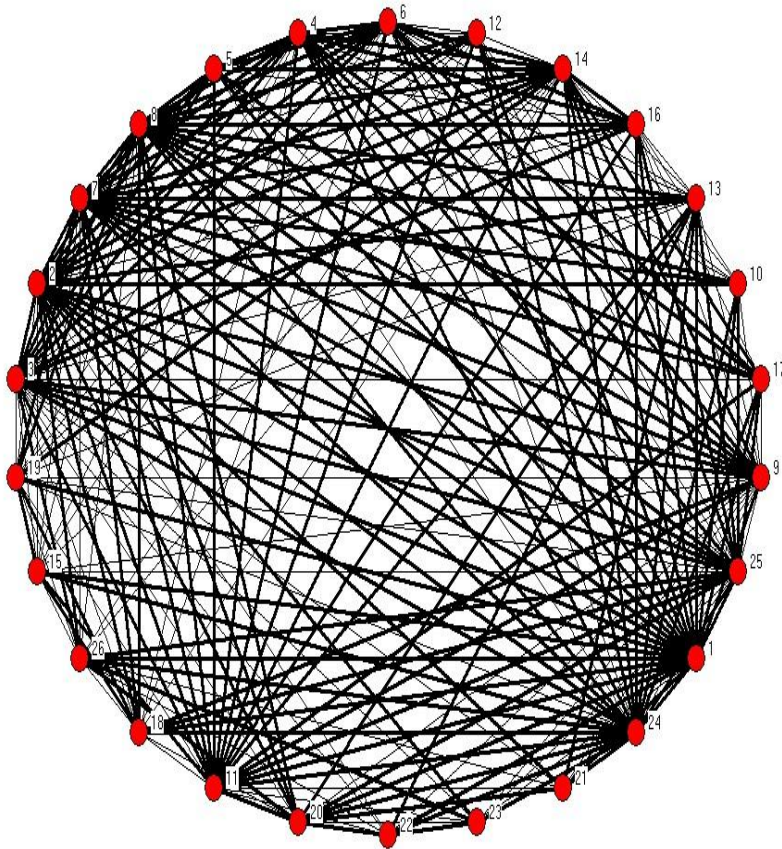


Source: Kratzer et al., 2008

Design phase

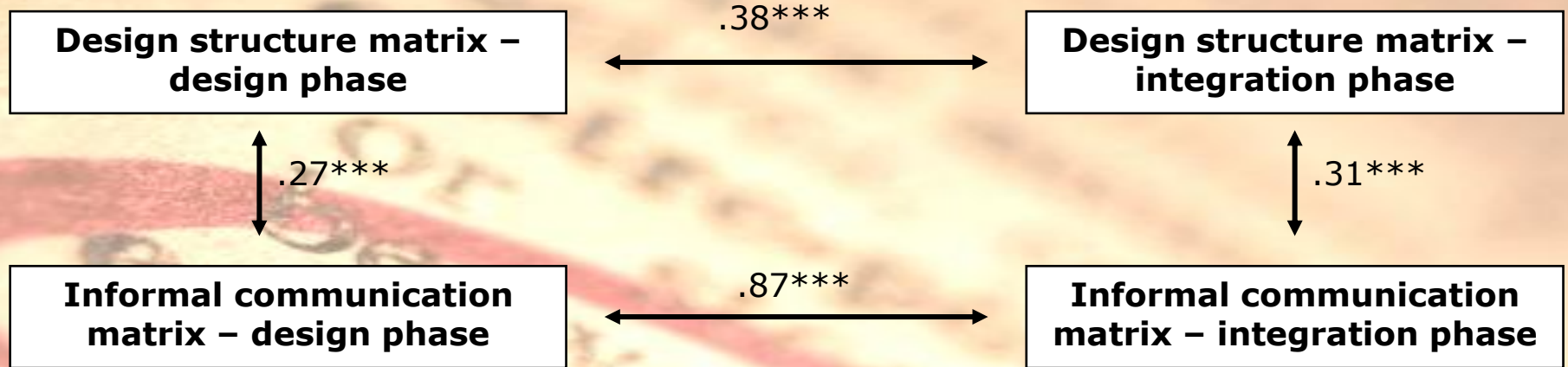
Informal
Communication Matrix

Integration phase



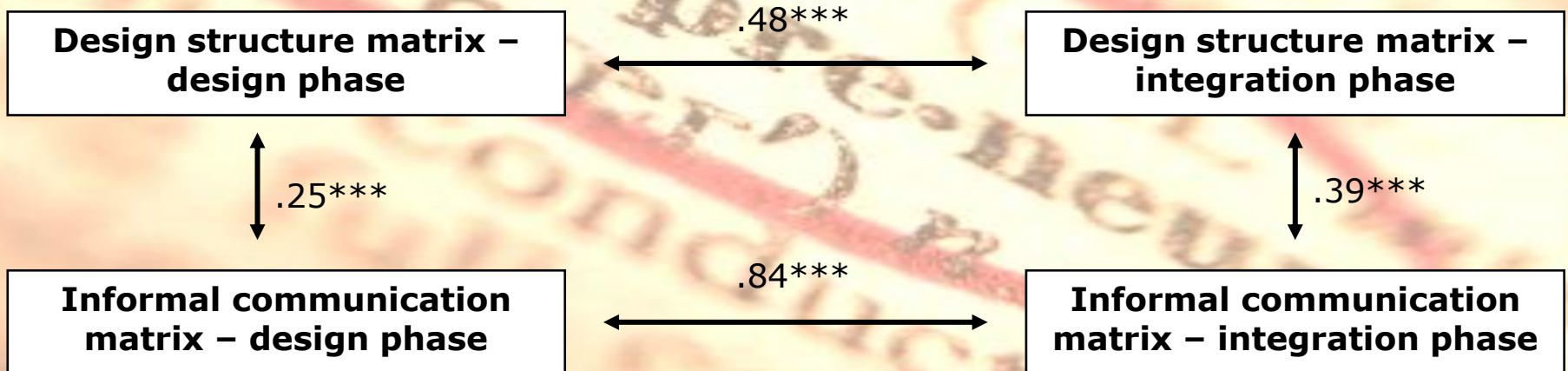
Source: Kratzer et al., 2008

Collaboration A



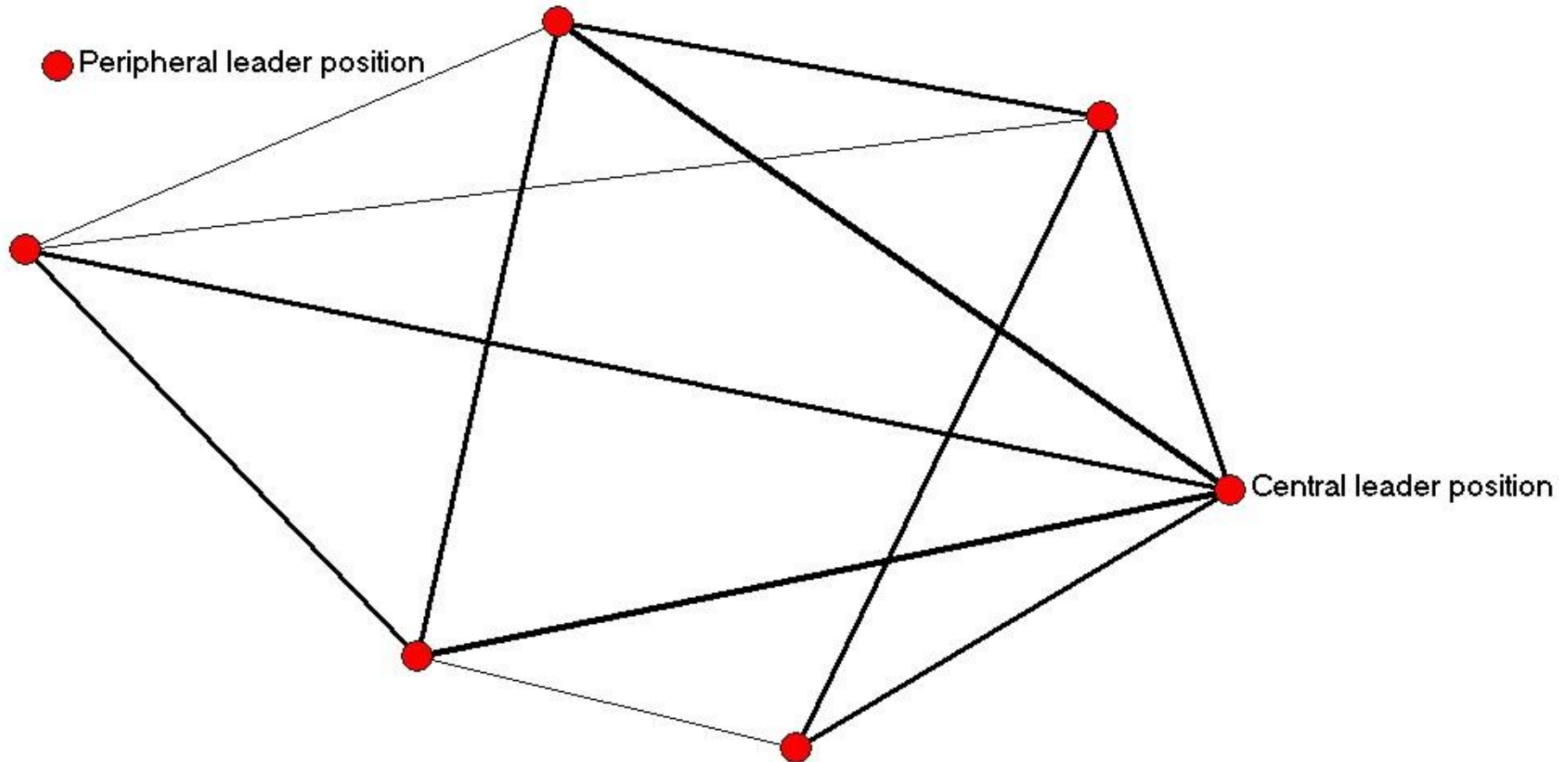
^a $. * p < .10$, $** p < .05$, $*** p < .01$

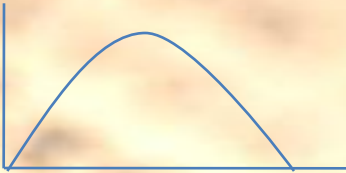
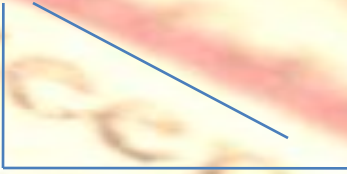
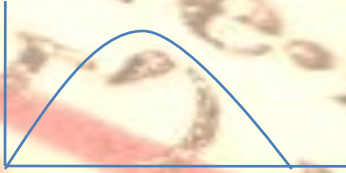
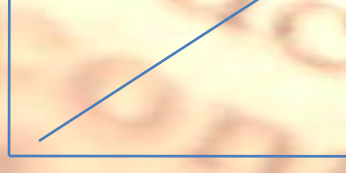
Collaboration B



^a $. * p < .10$, $** p < .05$, $*** p < .01$

Leadership



Network property	Relationship between leader centrality and creativity	Managerial implications
Work-flow	<p data-bbox="666 207 801 235">Creativity</p>  <p data-bbox="821 442 1052 471">Leader Centrality</p>	<p>The involvement in work-related exchanges should be moderate to a level where leaders can assess the processes, evaluate outcomes, and intervene when necessary.</p>
Problem-solving	<p data-bbox="685 528 821 556">Creativity</p>  <p data-bbox="840 763 1072 792">Leader Centrality</p>	<p>The involvement in the problem-solving process of the team members should strictly be kept to a minimum.</p>
Awareness	<p data-bbox="743 842 879 871">Creativity</p>  <p data-bbox="898 1078 1130 1106">Leader Centrality</p>	<p>The involvement in the awareness network should be moderate to a level where leaders can monitor information flows and navigate them when required.</p>
Information: Boundary spanning capacity	<p data-bbox="724 1135 859 1163">Creativity</p>  <p data-bbox="879 1363 1110 1392">Leader Centrality</p>	<p>Leaders should invest in external networks to provide their own team with all access to knowledge and information possible to fulfill the tasks.</p>

Pro-Entrepreneurship Organizational Architecture: Culture/Reward System/Resources

Incentive structures are the most deciding factor to motivate, but also to integrate employees into the organization.

Dimensions of incentives

monetary

vs

Not monetary

Team-based

vs

Individual-based

Equal-based

vs

Position-based

Process-based

vs

Outcome-based

Effects of incentives

A) Extrinsic incentives

B) Intrinsic incentives

C) Mixed incentives

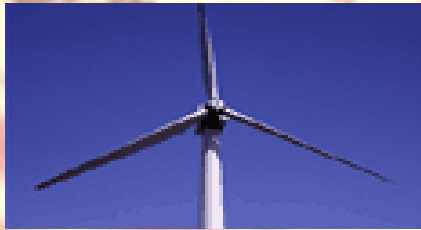
Extrinsic motivation occurs ‘when employees are able to satisfy their needs indirectly, most importantly through monetary compensation’.

Intrinsic motivation occurs when individuals’ behavior is oriented towards the satisfaction of innate psychological needs rather than to obtain material rewards intrinsic is the motivation to ‘perform an activity for itself’.

The failure of monetary incentives

- a) Decreasing marginal effect
- b) Dominance of extrinsic motivation compared to intrinsic motivation
- c) Short-cut thinking

For employees engaged in innovative work intrinsic motivation is more desirable.





1. Status

Social status defines the social position actors have within social structures. Social roles and expectations are closely linked to social status as well as prestige and reputation.

A) Knowledge worker

B) Importance of knowledge working



2. Challenging and clear tasks

Employees need to be matched with jobs that play to their expertise, their skills in creative thinking. Crucial to the amount of challenge is that there should not be so less that people feel bored and not so much that they feel overwhelmed and threatened by a loss of control.



3. Autonomy

Autonomy around the process fosters creativity since giving people freedom as to how they approach their work heightens their intrinsic motivation and sense of ownership. It also allows people to approach problems in ways that make the most of their expertise and their creative thinking skills.



4. Features of Teams

Careful attention is needed in the design of the teams. That is, you must create mutually supportive groups with a diversity of perspectives and backgrounds. This is important because in teams comprising people with diverse expertise and creative thinking styles, ideas often combine and combust in exciting and useful ways.



5. Development of interpersonal relations

Interpersonal relations within groups are dynamical and develop over time. Close interpersonal relation can stimulate the intrinsic motivation and increase trust between.



6. Polarity

Constructive conflict can be a intrinsic motivator.

7. Managerial encouragement

The encouragement of supervisors certainly fosters creativity, but it is really enhanced when the entire organization supports it. This support must come from organizational management. The organization's managements have to agree on appropriate systems or procedures, and they need to emphasize values in each of their organizations that make clear that creative efforts have (top) priority.



8. Provision with resources

The two main resources that affect creativity are time and money. Deciding how much time and money to give to a team or project is a very important decision that can either support or kill creativity. The management has to determine the resources available and to make them transparent to the team/project members.



9. Feedback

Innovation activities of teams often go along a line from exploration to exploitation, thus rapid feedback may stimulate to explore and exploit in loops.

Intrinsic incentives	Evaluation	
Status	+	+
Challenging and clear tasks	+	+
Autonomy	+	+
Features of CoP's	×	
Development of interpersonal relations	×	
Polarity	+	-
Managerial encouragement	-	-
Resources	+	+
Feedback	-	-